

Date : 14th February, 2018

To,
DCS-CRD
The BSE Limited,
P. J. Towers,
Dalal Street,
Mumbai - 400 001
Stock Code: 523523

Listing Department,
National Stock Exchange of India Ltd
5th Floor, Exchange Plaza,
Bandra (E),
MUMBAI - 400 051
Stock Code: RAINBOWPAP

Dear Sir / Madam,

**Sub: Unaudited Financial Results for the quarter and nine months ended on
31st December, 2017**

Dear Sir,

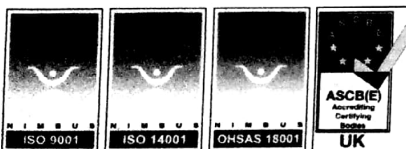
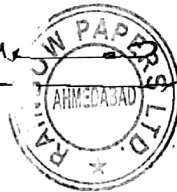
With reference to the above subject, please find enclosed herewith Standalone un-audited Financial Results for the quarter and nine months ended on 31st December, 2017 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the Limited Review Report as approved by the Board of Directors at their meeting held on Wednesday, 14th February, 2018.

You are requested to notify this information to the Members and investors at large.

Thanking you,

Yours faithfully,
FOR RAINBOW PAPERS LIMITED

SHASHIKANT THAKAR
COMPANY SECRETARY
FCS : 1607



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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER 2017

Sr. No.	Particulars	Quarter Ended			Nine Month ended	
		December 31, 2017 (Unaudited)	September 30, 2017 (Unaudited)	December 31, 2016 (Unaudited)	December 31, 2017 (Unaudited)	December 31, 2016 (Unaudited) [Refer Note 11]
1	Income					
	(a) Revenue from Operations	-	0.28	0.17	0.28	51.54
	(b) Other Income	-0.02	0.01	0.32	0.01	1.37
	Total Income	-0.02	0.29	0.49	0.29	52.91
2	Expenses					
	(a) Cost of Materials Consumed	-	0.28	-	0.28	21.17
	(b) Purchase of stock-in-trade	-	-	-	-	8.77
	(c) Change in Inventories of finished goods, work in progress and stock-in-trade	-	-	0.01	-	2.69
	(d) Employee benefits expense	0.18	2.31	1.13	2.88	10.99
	(e) Finance costs	-	0.11	-0.95	0.11	14.59
	(f) Depreciation and amortisation Expenses	27.78	27.78	25.31	83.34	75.95
	(g) Other expenses	2.73	2.55	6.00	84.28	33.55
	Total expenses	30.69	33.03	31.50	170.89	167.70
3	Profit/(Loss) before exceptional Items and tax (1-2)	-30.71	-32.74	-31.01	-170.60	-114.79
4	Add/(Less) : Exceptional Items (net)	-	-	-	-	-
5	Profit / (Loss) before tax [3 + 4]	-30.71	-32.74	-31.01	-170.60	-114.79
6	Tax expenses					
	a) Current Tax	-	-	-	-	-
	b) Deferred Tax	-	-	-	-	-
	c) Excess/Short Provision of tax of earlier years	-	-	-	-	-
	Total Tax Expense (a+b)	-	-	-	-	-
7	Net Profit (+) / Loss(-) for the period (5+6)	-30.71	-32.74	-31.01	-170.60	-114.79
8	Other Comprehensive Income	-0.02	-0.02	-0.02	-0.06	-0.06
9	Total comprehensive income for the period (7+8) (Comprising Profit/(Loss) and other Comprehensive income for the period)	-30.73	-32.76	-31.03	-170.66	-114.85
10	Paid Up Equity Share capital (Face Value Rs. 2/- Per Share)	21.24	21.24	21.24	21.24	21.24
11	Earnings Per Share (of Rs.2/- each) (Not annualised) :					
	Basic & Diluted	-2.89	-3.08	-2.92	-16.07	-10.81

NOTES :

- The financial results of the company for the quarter ended December 31, 2017 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company (Under Supervision of Resolution Professional) in their meeting held on February 14, 2018. The Statutory Auditors of the Company have carried out Limited Review of these results and the results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- This statement has been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended by the companies (Indian Accounting Standard) (Amendment) Rules, 2016. The Company has adopted Ind AS from April 01, 2017 and accordingly, these financial results (including for all the periods presented in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards) have been prepared.
- The format for Un-audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CME/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's Circular CIR/CFD/FAC/62/2016 dated July 5, 2016, and AS and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind-AS.
- The Statement does not include Ind-AS compliant results for the previous year ended March 31, 2017 as the same is not mandatory as per SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016.
- (a) TFCI, Shalimar Wires Industries Limited, Rachna Air Components Private Limited and Tech Aid have filed winding up petitions under section 433 and 434 of the Companies Act, 1956 against the company before the Hon'ble Gujarat High Court and the same is pending before Hon'ble Gujarat High Court.
- (b) TFCI, IFCI, Dena Bank and Allahabad Bank had filed Original Applications against the Company before the Debt Recovery Tribunal-1, Ahmedabad ("DRT") under section 19 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993. However the original applications filed by IFCI, Dena Bank and Allahabad Bank are pending before the DRT, Ahmedabad and original applications filed by TFCI is pending before the DRT, Delhi.
- (c) TFCI, IFCI, Transworld Impex and Ion Exchange (India) Ltd had filed criminal complaints against the company and its Directors/ officers under section 138 of Negotiable Instruments Act, 1881 for dishonor of various cheques issued by the Company and the Company is contesting all the said cases and all the matters are pending for further hearing before the Hon'ble Metropolitan Magistrates, Mumbai, Hon'ble Metropolitan Magistrates, Nagpur and Hon'ble Metropolitan Magistrates, New Delhi.
- (d) Anmol Polymers Private Limited and Raghav Industrial Products Limited have filed a case for recovery of money against material supplied by them before District Court of Shimla.
- (e) Further, IFCI Limited, Allahabad Bank, Bank of India, Axis Bank have served the Notice under Section 13(2) of Chapter III of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act, 2002") against the company. Further, IFCI Limited and Allahabad Bank have served the Notice in exercise of power under section 13(4) read with rule 9 of Chapter III of the SARFAESI Act, 2002 for the symbolic / physical possession of the exclusive assets held by them of the Company and its Guarantors. IFCI Limited had approached Collector, Mehsana for obtaining physical possession of exclusive properties charged to them. The Company has successfully defended the case and the matter is now dismissed. Allahabad Bank has moved to Chief Metropolitan Magistrate for obtaining physical possession of the exclusive properties charged to them. The Company has approached Debt Recovery Tribunal against the Bank's move and the DRT has stayed the order of Chief Metropolitan Magistrate till further hearing.

FOR RAINBOW PAPERS LTD.

DIRECTOR

[Handwritten Signature]

- (f) All of the Financial Institutions and Bankers have classified their advances to the company as Non-Performing Assets (NPA) and therefore the provision of interest pertaining to current quarter amounting to Rs. 36.22 Crore (Accumulated Interest up to 31.12.2017 of Rs. 280.17 Crore) (On Approximate Basis) on these advances have not been provided by the company and to that extent loss for the quarter and lenders liability has been understated. The exact amount of unprovided interest is subject to final determination.
- (g) Some of the creditors have filed notice under section 9 of Insolvency and Bankruptcy Code, 2016 and one of the application has been admitted by National Company Law Tribunal, Ahmedabad Bench and the Hon'ble NCLT has given certain directions for the compliances. Other application has not been yet admitted.
- (h) The Company has received a show cause notice stating violation of section 25(f) of Industrial Disputes Act, 1947 & the matter is pending before the Labour Court, Kalo. In view of this provision for salary and its retirement benefits has been made on estimated basis.
- (i) Due to Non Supply of Electricity on account of default in payment to the electricity board and other reasons, from 27th day of July, 2016 production of the company is stopped.
- (j) In view of the above facts the going concern of the company is seriously affected but the company is hopeful to commence the activity.
- 6 The Board of Directors in its meeting held on September 14, 2017 approved a Composite Scheme of Compromise and Arrangement between Kushal Limited (Formerly Known as Kushal Tradelink Limited) and Amalgamation of Rainbow Papers Limited with Kushal Limited (Formerly Known as Kushal Tradelink Limited) under section 230-232 of the companies Act, 2013 and SEBI (LODR) Regulations, 2015. The said proposal is stalled on account of admission of petition of one of the operational creditor at National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016 and accordingly Board has no powers to pursue the said scheme.
- 7 (a) On September 12, 2017 Hon'ble National Company Law Tribunal (NCLT), Ahmedabad bench, had admitted the petition for initiating Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (IBC) and vide its Order dated September 22, 2017 appointed Mr. George Samuel as the Interim Resolution Professional (IRP) in terms of the IBC. Subsequent to expiry of the term of interim resolution professional, NCLT has vide its order dated November 06, 2017 appointed Mr. Ramchandra D. Choudhary as the Resolution Professional (RP).
- (b) Under the CIRP, a resolution plan needs to be prepared & presented and approved by the CoC. The resolution plan which would be approved by the CoC will need to be further approved by the Hon'able NCLT. As the Company is under resolution process, the financial statements have been presented on a 'going concern' basis.
- (c) Mr. Ramchandra D. Choudhary has, in his capacity as the RP appointed in terms of the Insolvency and Bankruptcy Code, 2016, took control and custody of the management and operations of the Company from November 06, 2017. The financial results for quarter ended December 31, 2017 have been certified by the Chairman and Chief Financial Officer of the Company, in accordance with Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming truthfulness, fairness, accuracy & completeness of the results. These financial statements have thereafter been taken on record by the RP on February 14, 2018 for filing with the stock exchanges.
- 8 The company is engaged in only one business segment i.e. manufacturing and trading of paper & paper board. However, as per Indian Accounting Standard (Ind-AS)-108 "Segmental Reporting" geographical segment reporting are as under:

Particulars	(INR in Crores)					
	Quarter Ended			Nine Months Ended		
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	
SEGMENTAL OPERATING REVENUE	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
-In India	-	0.28	0.17	0.28	44.62	
-Outside India	-	-	-	-	6.92	
Total	-	0.28	0.17	0.28	51.54	

- 9(a) In the opinion of the Management, the Current Assets, Current Liabilities, Loans and Advances, are approximately of the value stated, if realized in the ordinary course of business. Some of the Bank balances and Balance with Revenue Authority and Outstanding Statutory Dues shown in the books of accounts are subject to reconciliation and its effect will be given on its reconciliation.
- (b) The amount of Inventories are as taken by the management and are subject to physical verification by the Auditor.
- (c) The company is in process of determination of doubtful debts, advances and Trade receivables.
- (d) The classification/grouping of liabilities as current and non current are made by the management on the basis of the available data with the company.
- (e) Other expenses include following: (For the nine months ended)

Particulars	Rs in Crores
1) Provision for Doubtful Debt	70.56 (Previous Period Rs Nil)
2) Provision for Diminution in Value of Investment	10.03 (Previous Period Rs Nil)

- 10 Consequent to transition from the previous IGAAP to Ind AS, the reconciliation of Profit/(Losses) for the quarter ended December 31, 2016 is provided below in accordance with the requirements of Paragraph 32 of Ind AS 101, "First Time Adoption of Ind-AS)

Particulars	(INR in Crores)	
	For the quarter ended	For the Nine months ended
	December 31, 2017	December 31, 2016
Net Profit as per previous GAAP (Indian GAAP)	-31.03	-114.85
Adjustment:		
Reclassification of actuarial gains/losses, arising in respect of employee benefit schemes, to Other Comprehensive Income (OCI) *	0.02	0.06
Net Profit after tax before OCI as per Ind AS	-31.01	-114.79
Other Comprehensive Income / (Expense)	-0.02	-0.06
Total Comprehensive Income after tax as Per Ind AS	-31.03	-114.85

- 11 The Ind-As compliant corresponding figures in the previous period have not been subject to review/audit. However, the company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- 12 Comparative figures have been rearranged/regrouped wherever necessary.

Place : Ahmedabad
Date : February 14, 2018

FOR RAINBOW PAPERS LTD

DIRECTOR

For and on behalf of Suspended BOD
For Rainbow Papers Limited (In CIRP)

R. D. Choudhary
Resolution Professional
Regd. No. IBBI/PA-001/IP-P00157/2017-18/10326

Mehta Lodha & Co.
Chartered Accountants

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Opp. Gandhigram Rly. Station,
Off. Ashram Road,
Ahmedabad - 380009
Tele Phone: 079-26586684
Email: pdshahca@rediffmail.com



The R. D. Choudhary (Resolution Professional)
Rainbow Papers Limited

Sub: Limited Review Report for the 3rd Quarter Ended on 31st December, 2017.

We have reviewed the accompanying statement of Un-Audited Financial Results of **Rainbow Papers Limited ('the company')**, for the Quarter Ended on **31st December, 2017** and year to date from April 01, 2017 to December 31, 2017 (**'the statement'**) attached herewith being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

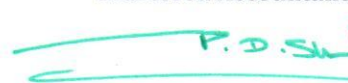
The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rule, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by The Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe, that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement

We have not audited or reviewed the accompanying financial results and other financial information for the Quarter and the Nine Month ended on 31st December, 2016 which have been presented solely based on the information compiled by the Management.

For, Mehta Lodha & Co.
(Firm ICAI Regn. No. 106250W)
Chartered Accountants


Prakash D Shah
Partner
M No.034363

PLACE : Ahmedabad
DATE : 14th February, 2018

